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## BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF THE APPLICATION OF DOMINION ENERGY UTAH TO INCREASE DISTRIBUTION RATES AND CHARGES AND MAKE TARIFF MODIFICATIONS

Docket No. 19-057-02

SUBMISSION OF UPDATED COST OF SERVICE MODEL

Questar Gas Company dba Dominion Energy Utah (Company or Dominion Energy) hereby submits its Updated Cost of Service Model. During the Phase II hearing on the matter, Dominion Energy agreed to work with parties to update the Cost of Service Model previously filed as DEU Exhibit 4.02R. The Company has updated the model and provides it as DEU Exhibit 4.02RU.

The model was built to address questions from the Commission regarding the volumetric rate blocks in the TS class if a gradualism approach is utilized to bring the class to full cost. Accordingly, in the "Steps Proposal" tab of the model, there are three cells that

can be changed to adjust the gradualism rates. These cells are K2, N2, and Q2. The model

as filed herein includes the position of the UAE – a 25% increase followed by two increases

of 37.5%. Should the Commission decide to use the Company's proposed gradualism

approach, these cells would be changed to 25/25/50 respectively. Any other combination

that adds up to 100% can be used and the amounts will flow through to the cost of service

and rate design tabs.

All parties have had the opportunity to review and comment upon the model.

Counsel for the Utah Division of Public Utilities, the Utah Office of Consumer Services,

the Utah Association of Energy Users, US Magnesium, and the Federal Executive Agencies

indicated that each party agrees to the submission of the attached model in response to the

Commission's questions. The non-Company parties do not endorse the model as the correct

model and each party maintains the positions put forth at the hearing on Phase II of this

matter. However, those identified above agree that the model may be submitted in response

to the Commission's inquiry during the hearing. The American Natural Gas Council, Inc.

indicates that it does not agree to the submission of the attached model.

Based upon the foregoing, Dominion Energy Utah respectfully submits the attached

DEU Exhibit 4.02RU.

RESPECTFULLY SUBMITTED this 28th day of January 2020.

DOMINION ENERGY UTAH

Jenniffer Nelson Clark

Dominion Energy Utah

Attorney for Dominion Energy Utah

2

## CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the Submission of Updated Cost of

Service Model was served upon the following persons by e-mail on January 28, 2020:

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